

Assembly Joint Resolution

No. 14

**Introduced by Assembly Member Chu
(Coauthors: Assembly Members Brown, Chau, Eduardo Garcia,
and Kim)**

May 7, 2015

Assembly Joint Resolution No. 14—Relative to the Export-Import Bank of the United States.

LEGISLATIVE COUNSEL'S DIGEST

AJR 14, as introduced, Chu. Export-Import Bank of the United States: reauthorization.

This measure would recognize the role of the Export-Import Bank of the United States in aiding the export of American goods and services and would urge the Congress of the United States to support legislation reauthorizing the Export-Import Bank of the United States.

Fiscal committee: no.

1 WHEREAS, The Export-Import Bank of the United States
2 (Ex-Im Bank) is the official export credit agency of the United
3 States and exists for the purposes of financing and insuring foreign
4 purchases of United States goods; and
5 WHEREAS, The mission of the Ex-Im Bank is to create and
6 sustain United States jobs by financing sales of United States
7 exports to international buyers; and
8 WHEREAS, The Ex-Im Bank is the principal government
9 agency responsible for aiding the export of American goods and
10 services, and thereby creating and sustaining United States jobs,

1 through a variety of loan, guarantee, and insurance programs for
2 small and large businesses; and

3 WHEREAS, The Ex-Im Bank has supported more than \$400
4 billion in United States exports in the past 70 years and helps to
5 cover critical trade finance gaps by providing loan guarantees,
6 export credit insurance, and direct loans for United States exports
7 in developing markets where commercial bank financing is
8 unavailable or insufficient. For fiscal year 2014, the Ex-Im Bank
9 provided \$20.5 billion in loan guarantees which leveraged \$27.5
10 billion in exports while supporting 164,000 United States jobs.
11 Since fiscal year 2009, the bank has supported more than 1.3
12 million American jobs in all 50 states; and

13 WHEREAS, The Ex-Im Bank is a self-sustaining agency, which
14 operates at no cost to the taxpayer and over the last three fiscal
15 years has generated more than \$3 billion in fees from its foreign
16 customers which were deposited in the United States Treasury to
17 reduce the United States deficit and indebtedness; and

18 WHEREAS, The Ex-Im Bank enables United States companies
19 large and small to turn export opportunities into sales that help to
20 create and maintain jobs in the United States that contribute to a
21 stronger national economy. On average nearly 90 percent of the
22 Ex-Im Bank's transactions support United States small businesses;
23 and

24 WHEREAS, Exports are particularly important to the California
25 economy as California is currently ranked second in exports among
26 all states. If California's manufacturing base is to grow, we must
27 continue to expand our ability to export goods from California
28 facilities. Given the key role the Ex-Im Bank plays in facilitating
29 export sales, failure to reauthorize it would be devastating to
30 existing industry and to those that we hope to create in the future;
31 and

32 WHEREAS, Over the past five years, the Ex-Im Bank has
33 assisted more than 967 California companies to export their
34 products. Nearly 200 of those companies are owned by women or
35 minorities and over 700 are small businesses. These companies
36 export their products and services around the globe totaling more
37 than \$21 billion in sales. Fifty-two of the 53 congressional districts
38 in California had companies benefit from the Ex-Im Bank loans;
39 and

1 WHEREAS, A reauthorization of the Ex-Im Bank is critical to
2 the ability of many United States exporters to compete on a level
3 playing field in a commercial market where current and future
4 competitors continue to enjoy aggressive support from their
5 countries' export credit agencies; and

6 WHEREAS, A failure to reauthorize the Ex-Im Bank would
7 amount to unilateral disarmament in the face of other nations'
8 aggressive trade finance programs that favor their domestic
9 companies over American companies; and

10 WHEREAS, Economic growth depends on increasing exports
11 from both small and large manufacturers and service providers in
12 California and reauthorization means support for California exports
13 and California jobs; and

14 WHEREAS, in the 114th United States Congress, 1st Session,
15 legislation is pending that would continue the Ex-Im Bank's
16 capacity for creating jobs while also making its practices more
17 accountable and transparent, as well as making the bank more
18 solvent and self-sufficient; now, therefore, be it

19 *Resolved by the Assembly and the Senate of the State of*
20 *California, jointly,* That the Legislature urges Congress to support
21 legislation reauthorizing the Export-Import Bank of the United
22 States; and be it further

23 *Resolved,* That the Chief Clerk of the Assembly transmit copies
24 of this resolution to the President and Vice President of the United
25 States, to the Speaker of the House of Representatives, to the
26 Majority Leader of the Senate, and to each Senator and
27 Representative from California in the Congress of the United
28 States.